

CSHCS ALERT #24-2012 - LHD Alert correction  
Mon 10/29/2012

There are currently two major billing issues that have come to our attention and I wanted to share these with you.

1. Out of state diabetic supply providers, i.e., Medtronic (aka Minimed), Animas and others have provided services to Medicaid and CSHCS clients for many years. The reason this was allowed is because several years ago, Medicaid did not have any DME providers in Michigan supplying insulin pumps, so the manufacturers were allowed to provide the pumps (and supplies) as out of state providers (with PA) prior to CHAMPS. The MDCH/MSA claims team discovered that a CHAMPS processing error allowed payments to occur on these claims since CHAMPS Go-Live (9/2009). CHAMPS was corrected on June 22, 2012 and they are no longer allowed to provide and bill for services directly because these pumps are (and have been) available through Michigan DME enrolled providers. All of the effected DME's have been notified and take backs have been initiated.

When families contact these manufacturers to place an order, they should be told up front that they are no longer Michigan providers and that they should inform families which providers carry their products in state. Per policy, the manufacturer should not be billing clients for services they rendered unless they were notified prior to services rendered that they would be responsible for paying since it wouldn't be covered. If any of your families are receiving bills from these manufacturers either because of improper billing or because they were not told up front prior to rendering service, please fax them to my attention to 517-241-0796. I will follow up with a letter to the manufacturer and copy the family. The letter will be available for LHD review in the CSHCS database. I apologize for not getting this out to you sooner. We just found out when the claims processing error was corrected on CHAMPS.

2. The other billing issue is regarding the University of Michigan facility bills. They have a new billing system that is causing some problems. Some claims are not showing on CHAMPS even though the family and or LHD calls the U of M's Customer Service Center and are being told that they "billed CHAMPS and have not heard back", "are working on it" or that it is "being researched" or "referred elsewhere for resolution" and then turning families over to collections in a short time span. Please notify me of these instances by faxing the bill to me at 517-241-0796 with details on who called U of M and on what dates for me to follow up on. I am currently working on getting in contact with the billing supervisors at U of M to resolve these issues.

**Please contact Pat McNutt if you have questions. Thanks!**

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MDCH-CSHCS

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